

**Maine Revised Statutes**  
**Title 13-B: MAINE NONPROFIT CORPORATION ACT**  
**Chapter 7: DIRECTORS AND OFFICERS**

**§704-A. REMOVAL OF DIRECTORS BY JUDICIAL PROCEEDING**

**1. Removal.** The Superior Court may remove any director of a corporation from office if the court finds that removal is in the best interest of the corporation and that:

A. The director engaged in fraudulent or dishonest conduct or gross abuse of authority or discretion with respect to the corporation; [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

B. Section 713-A has been violated; or [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

C. A final judgment has been entered finding that the director has violated a duty set forth in section 712 or sections 717 to 720. [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

[ 2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF) .]

**2. Who may bring action.** A petition for removal under subsection 1 may be filed by:

A. The corporation, if 2/3 of the directors then in office resolve that an individual director should be removed; [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

B. Two-thirds of the members entitled to vote for that director or a lesser number as provided in the articles of incorporation of the corporation for removal of a director pursuant to section 704; or [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

C. In the case of a public benefit corporation, the Attorney General. [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

[ 2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF) .]

**3. Place of filing.** The petition for removal under subsection 2 must be filed:

A. In the county where the corporation's principal office is located; [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

B. In the county where the corporation's registered office is located if the corporation has no principal office in this State; or [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

C. In the Superior Court of Kennebec County if the corporation has no principal office or registered office in this State. [2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF).]

[ 2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF) .]

**4. Court action.** The court that removes a director under this section may bar the director from serving on the board of directors for a period prescribed by the court.

[ 2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF) .]

**5. Notice to Attorney General; Attorney General actions.** If the members of a corporation or the Attorney General commences a proceeding under this section, the corporation is made a party defendant. If a public benefit corporation or its members commence a proceeding under subsection 1, the public benefit corporation shall give the Attorney General written notice of the proceeding.

[ 2001, c. 550, Pt. C, §13 (NEW); 2001, c. 550, Pt. C, §29 (AFF) .]

#### SECTION HISTORY

2001, c. 550, §C13 (NEW). 2001, c. 550, §C29 (AFF).

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